LEGISLATIVE SERVICES AGENCY OFFICE OF FISCAL AND MANAGEMENT ANALYSIS

200 W. Washington, Suite 301 Indianapolis, IN 46204 (317) 233-0696 http://www.in.gov/legislative

FISCAL IMPACT STATEMENT

LS 6287 NOTE PREPARED: Feb 3, 2003
BILL NUMBER: SB 136 BILL AMENDED: Feb 3, 2003

SUBJECT: Various election law matters.

FIRST AUTHOR: Sen. Landske

BILL STATUS: 2nd Reading - 1st House

FIRST SPONSOR:

FUNDS AFFECTED: X GENERAL IMPACT: State & Local

 $\overline{\underline{X}}$ DEDICATED FEDERAL

Summary of Legislation: (Amended) This bill makes changes to election law relating to the following:

- (1) Voting systems.
- (2) The election division budget.
- (3) Training election workers.
- (4) Challengers.
- (5) Precinct committeemen and state convention delegates.
- (6) Voter registration.
- (7) Party affiliation and certification of candidates.
- (8) Certification of election results.
- (9) Certificate of nominees for President and Vice President of the United States.
- (10) Recounts and challenges.
- (11) Campaign finance reports.
- (12) Disabled voters.
- (13) Sample ballots.
- (14) School board tax referenda.
- (15) Candidate vacancies.
- (16) Misrepresenting the status of a candidate.

The bill repeals superseded statutes relating to challengers and training election workers. (The introduced version of this bill was prepared by the census data advisory committee.)

Effective Date: July 1, 2003.

Explanation of State Expenditures: (Revised) (6) Under current law, the Indiana Election Division, through a contractor, must mail a secondary postcard to voters that have duplicate registrations and are registered to vote in a county, when an initial postcard sent by the Division was not returned. Under the bill, the Election Division would be required to only mail a single postcard notification and not a second notification to this group of voters. Removal of a second mailing would save state expenditures by an estimated \$15,000 to \$18,000.

(11) Under current law, the Election Division and county election boards must preserve campaign reports and statements. With certain exceptions, under law, these reports must be maintained for four years after December 1, following the election which the reports belong to, unless the report is being used in litigation.

Under the bill, the Election Division and county election boards could see a reduction in paper filings as they would only be required to keep duplicate reports for two years after the original report was filed.

(15) Under the bill, chairmen of third party state committees would be required to file a notice of intent to fill early candidate vacancies with the Election Division if for Federal, state, and certain other public offices. The Election Division could see an increase in administrative time required to comply with this provision.

Explanation of State Revenues: (Revised) (11) Under current law, a corporation or labor organization may make a contribution to a political action committee if the contribution does not exceed any of the monetary limits prescribed and is designated for disbursement to a specific candidate or committee listed under law. The bill would make violations of this provision subject to a civil penalty. The penalty would include payment of all investigative costs made by the Election Commission and the greater of either \$1,000 or two times the amount of un-designated contributions. Civil penalties collected under this provision are distributed into the Campaign Finance Enforcement Account. County election boards may also conduct investigations and hearings as long as results are reported back to the Election Commission.

(16) If additional court cases occur and fines are collected, revenue to both the Common School Fund and the state General Fund would increase. The maximum fine for a Class B misdemeanor is \$1,000. Criminal fines are deposited in the Common School Fund. If the case is filed in a circuit, superior or county court, 70% of the \$120 court fee that is assessed and collected when a guilty verdict is entered would be deposited in the state General Fund. If the case is filed in a city or town court, 55% of the fee would be deposited in the state General Fund.

Explanation of Local Expenditures: (Revised) (3) County election boards would be required to have certain precinct election officers in attendance for training on voting equipment. Some counties currently allow a minimal per diem of approximately \$10 to \$15 to attend the training session. As counties with optical scan equipment are already required by state law to hold training sessions for inspectors and sheriffs, it is believed that the fiscal impact of this provision to those counties with optical scan machines would be minimal. Absentee voter boards would be required to attend a training session before an election. Current law allows counties the option of providing training sessions for members of absentee voter boards.

- (16) A Class B misdemeanor is punishable by up to 180 days in jail. The average daily cost to incarcerate a prisoner in a county jail is approximately \$44.
- (6) Under the bill, the county election board could reduce expenditures as a result of no longer being required

to produce in triplicate a memorandum for each voter's original affidavit of registration or transfer of an original registration executed by the board.

County sheriffs may experience slight administrative changes in the preparation of lists of incarcerated persons in a county correctional facility during the previous month. These lists are sent to circuit court clerks. Under current law, the county sheriff must provide a list of these individuals from the previous month four times a year. Under the bill, the list must include the previous three-month period, instead of the previous month.

(10) Under the bill, local judges would be required to issue notices of a petition for recount to a county election board and the Indiana Election Division (for judge and/or prosecutor only). For a petition filed for a contest of an election, the county sheriff would be required to serve a copy to the county election board and Election Division (for judge and/or prosecutor only).

Courts that appoint recount commissions would be required to issue an order that acknowledges a certificate showing the total number of votes received in the precincts by each candidate for nomination or election to the recounted office. Additionally, the order from the court must discharge the commission and release election materials impounded during the recount.

There would be additional expenditures required for paper, printing, and postage (if mailed) regarding the above notices and orders.

- (11) See Explanation of State Expenditures.
- (14) By extending the deadline for a special election to be conducted, this provision may reduce expenditures if special elections regarding school board tax referenda are conducted at the same time as a general election. Based on a small sample of Indiana counties, precinct election expenses may range from \$600 to \$1,000, depending on the number of precinct/absentee board members serving, what the county pays precinct election board members, and facility rental (if necessary).
- (15) Under the bill, chairmen of third party state committees would be required to file a notice of intent to fill early candidate vacancies with the circuit court clerk for a local public office not required to file with the Election Division. Circuit court clerks could see an increase in administrative time required to comply with this provision.

Explanation of Local Revenues: (Revised) (11) See Explanation of State Revenues.

(16) If additional court actions occur and a guilty verdict is entered, local governments would receive revenue from the following sources: (1) The county general fund would receive 27% of the \$120 court fee that is assessed in a court of record. Cities and towns maintaining a law enforcement agency that prosecutes at least 50% of its ordinance violations in a court of record may receive 3% of court fees. If the case is filed in a city or town court, 20% of the court fee would be deposited in the county general fund and 25% would be deposited in the city or town general fund. (2) A \$3 fee would be assessed and, if collected, would be deposited into the county law enforcement continuing education fund. (3) A \$2 jury fee is assessed and, if collected, would be deposited into the county user fee fund to supplement the compensation of jury members.

State Agencies Affected: Indiana Election Commission, Indiana Election Division.

Local Agencies Affected: Counties, Local school boards. Trial courts, local law enforcement agencies.

<u>Information Sources:</u> Brad King and Spencer Valentine, Co-Directors of the Indiana Election Division, (317) 232-3939; Various County Circuit Court Clerks/Election Boards.

Fiscal Analyst: Chris Baker, 317-232-9851